GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:2058
ANSWERED ON:12.12.2008
COMPLIANCE WITH COMPANIES ACT
Renge Patil Shri Tukaram Ganpatrao;Thummar Shri Virjibhai

Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether about 50 per cent companies are not complying with the Companies Act resulting in adversely affecting the interests of the investors making investments in such companies;

(b) if so,the steps taken by the Government against these companies so far;

(c) whether power discoms such as BSES Rajdhani have also violated the provisions of Companies Act during the last two years;

(d) if so, the details thereof; and

(e) the action taken in this regard?

Answer

THE MINISTER OF CORPORATE AFFAIRS(SHRI PREM CHAND GUPTA)

(a) & (b): Interests of investors at large are principally associated with widely held public or listed companies.Non-compliance by 50 per cent of such companies registered in India with the provisions of the Companies Act, 1956,in a manner that may affect the interests of investors in such companies adversely is not borne out by available data.However,action as appropriate and mandated under law is being taken wherever any non-compliance is noticed.

(c) No, Sir.

(d) & (e) Do not arise.